

# The Next Step



**QCDSM**  
LEAN BUSINESS EXPERTS

The Newsletter devoted to comment and discussion within the QCDSM process  
*Editorial by Peter J Paola and Willem J Botha, QCD Systems Ltd.*

**QCDSM is not industry specific! It establishes the principles of Continuous Improvement based on LEAN principles within a company. Summer 2012 QCDSM**

**It is a Formal Quality Program for companies. Read on.....**



24-Ballance TZ September 3-5 2012, Kapuni #8/8  
<http://www.qcdsm.com/2012/24-ballance-tz-september-3-5-2012-kapuni-88/>

## THE LEAN JOURNEY

We would like to share with you a company in New Zealand, which has walked a good way along the road to becoming a Lean. QCDSM, as you know, has been promoting LEAN Management and Manufacturing for over 25 years with the intent on ensuring that the companies that embrace the system become as efficient and as productive as possible.

### LEAN is a journey

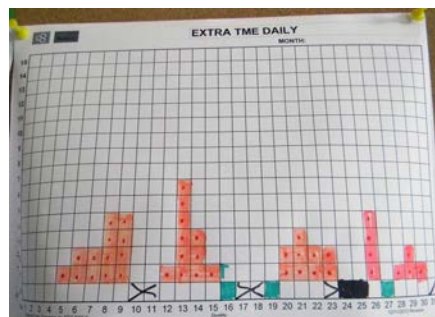
There are always stages on a journey and the same principle applies to the Lean journey. However, what is a constant on all journeys once the 'maps' or 'route' are determined, is how well the travellers follow the chosen way.

### The all-important culture:

This is where the main ingredient for a successful LEAN journey needs to be focused on - the people. This is when important decisions and actions need to be taken along the way to ensure that the stages along the journey are always reached and passed. Hopefully, this newsletter will help remind you of those milestones in order for everyone to keep to the chosen way.

Every company develops a culture – it is something like its DNA. This is what makes what it is. But, unlike DNA that is determined, the culture of a company can be adapted to ensure that it is up to date and able to overcome the challenges of the marketplace that is always changing.

So is it with the adoption of LEAN principles through QCDSM. The process has implemented a method that will enhance the present culture of a company by introducing a methodology on how to manage change and how to adapt to the new challenges facing the company. As with all change, resistance is inevitable and until and unless everyone involved is convinced that the process will enhance the efficiency and productivity of their area, the journey may be delayed and in some cases, abandoned.



*QCD Systems LTD*

*wishes you all*

*The Compliments of  
the Season*

*and a*

*Prosperous New Year.*

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Every company reaches a point in the journey when the next milestone must be navigated to and achieved. This is the next level of efficiency and productivity.

Once the route and map is in place, following it becomes the task of all.

A company needs to put in place the requirements for the journey and in most cases this has been done. Results have been obtained but the met milestone presents a challenge, viz. how to both stabilize and institutionalize the process as **THE** way in which the business will be managed from now onwards.

The Try Z Seminar, **the charts the meetings, the reports etc. are part of the culture now.**



That next step is the next stage of the journey and is both simple but at the same time challenging because it will require an important change in thinking and working in each area. It depends on the way in which everyone in the company answers the 'next step/stage question?'

**What are you doing or going to do with the measurements that you have so diligently collected and posted?**

**Although you have been answering this question in some manner already as is evidenced by the slew of improvements that you have already implemented, the real force of LEAN is when individuals in the group or all together, take control of their issues and use the idea and suggestion process to come up with the solutions that are required.**

In order for the above to be effectively accomplished, the communication process within the company must be effective. The first level up to the Lead Team and back again is the life-blood of QCDSM and is the way in which the LEAN process is embedded into the company. It is one of the stages that will always be a 'work in process because of how important it is. This bottom-up, top-down process is vital to the success of LEAN.

But, in answering that question, you, the people, need to play the most important part. What can happen is that the issues that you have identified and have made mention of does not seem to get resolved. This leads to a perception that the whole process is not working. This is a perception that needs to be challenged because the fundamental meaning of the LEAN process as evidenced by the tools that are available, is that the individuals and the groups are the ones that need to take the initiative and not expect the next level up only to resolve all the issues.

Sometimes it is not clearly understood that as each issue is identified that not every issue can be resolved with quick decisions, money availability and with possible major changes being sanctioned very quickly. There are complex factors that need to be considered with all changes.

Therefore, with the above in mind, how can each Green Room truly answer that

## The first stages of the LEAN journey



6-Ballance TZ October 12-14 2010, Mount Maunganui  
<http://www.qcdsm.com/2012/6-ballance-tz-october-12-14-2010-mount-maunganui/>

**If it ain't broke, FIX IT!** – The first stage of the journey, understanding that measuring what you are doing enables you to find the root cause and continually improve it.

**You cannot manage what you do not measure!** – Leads to the next stage of understanding that working together to achieve your goals depends on the input of everyone – offering, recording and managing your Ideas and Suggestions.

**Different people need to do the same job in the same way!** - Leads to the next stage of understanding that standardization, consistency, quality, efficiency, productivity and safety is fully dependent on well written, tested and properly trained Detailed Process Sheets as the current best process.

**The Green Room!** – A milestone in the implementation process as it provides the forum for the exchange of expertise focused on the performance of the team.

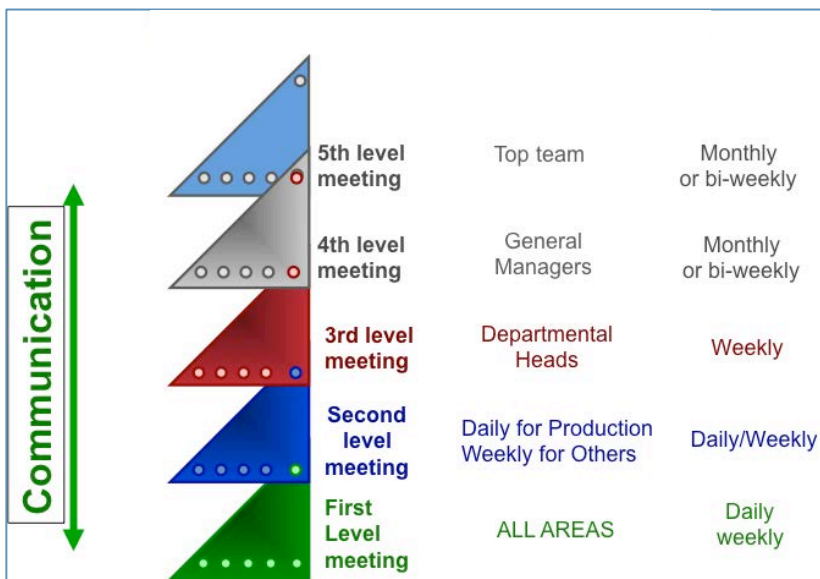


Continuously  
Improving

Let me illustrate it with an example from a company in New Zealand that manufactures and distributes fertilizer to the farmers. When a farmer, or spreader, arrives at a fertilizer distribution centre to pick up an order, that order is usually already in the system which the service centre manager can access. However, very often, the spreader arrives without an order number and/or a faxed copy of the order to give to the Service Centre. This creates issues at the centre and involves searching the system, telephone calls etc. So, until the 'culture' of arriving at centres without the required order number and/or faxed copy by the farmer or spreader is changed so that the normal process throughout New Zealand will be that drivers have an order number or faxed copy, the individual centres can resolve that issue. They will continue to record the occurrences as either Extra Time or Defect Received or Produced etc., but gradually they need to begin persuading the drivers to always have an order number or faxed copy with them when they arrive at the centre. They can also involve their Sales personnel at their centres to assist them with this. There is no point in simply accepting the issue, diligently recording it, reporting it and waiting for someone 'above' to make it happen without the centre trying to involve the driver and the sales persons in the solution.

The point here is that it is up to the individual centre Green Rooms to take the initiative to overcome the issues or mitigate the issues until a root - cause solution is implemented. The whole purpose of LEAN is to enable the people of the company to take possession of their areas.

**If you always do what you've always done, you will get what you've always got!**



A typical Communication Model in a company

**If this structure is not in place and operating efficiently and regularly, the other levels will eventually collapse.**

### A FINAL COMMENT AND SUGGESTION

Our Newsletters are designed to continue the process of implementation into your company by discussing various aspects of what that implementation can achieve. Very often roadblocks arise which seem to be insurmountable if the same frame of mind is used to overcome them.

QCD Systems over the years and with vast experience in many different companies, countries and cultures has been able to assist the companies to apply innovative solutions to their issues. The main focus of the process in becoming lean is to utilize the tools as effectively and efficiently as possible. This is the theme of this Newsletter.

The people and their initiatives are the key to the next steps!

### The misperception:

Not every issue can be fixed. Many issues remain issues until the company can address them within a time frame that is practical.

Therefore, every Green Room must develop a mindset on how to mitigate - either work around the issue or reduce the impact of the issue - until it can be resolved.

This is where the whole process of Ideas and Suggestions is so important. The effectiveness of your answer to that question can only be measured by the ideas and suggestions that are recorded and decisions taken to mitigate the issues.

The vital importance of the Ideas/Suggestion database to the success of the LEAN process rests with this simple requirement:

**'Every issue identified in the Green Room requires a corresponding attempt by the people of that Green Room to either solve or mitigate the issues through the ideas and suggestions that they offer.'**

**THE NUMBER OF IDEAS BASICALLY MEASURES THE EFFECTIVENESS OF THE GREEN ROOM AND THE SUGGESTIONS RECORDED TO EITHER SOLVE, OR, IN VIRTUALLY EVERY CASE, TO MITIGATE THE EFFECT OF THE ISSUE UNTIL A REAL FIX IS AVAILABLE.**

Simply recording the issue day after day without an attempt to mitigate its effect is not the best route to take.

As with every journey, therefore, along the way you must take stock of the progress. Were any wrong turns taken, any directions not verified etc.? The requirement is a company is that everyone in the company assumes the responsibility for not only their jobs, but also the performance of the area that they work in. The LEAN tools are very simple and easy to use. The challenge lies with you, the people.

